

Let the Babies Dance: Strengthening Fair Use and Stifling Abuse in DMCA Notice and Takedown Procedures

MATTHEW SCHONAUER*

Abstract: The Digital Millennium Copyright Act provided Internet service providers with more certainty regarding liability for copyright infringement, and copyright owners with an increased ability to protect their rights on the Internet in the form of notice and takedown procedures. While both purposes of the DMCA seem to have been attained, hindsight reveals that the rights of end users on the Internet have not fared as well. This Note documents instances of misuse and abuse of the notice and takedown procedures and discusses the economic disadvantage that end users often experience when deciding how to respond to takedown notices. It argues that the § 512(f) knowing misrepresentation cause of action, which acts as an important safeguard against takedown abuse, has been undermined by judicial interpretation, and suggests a return to its pre-Rossi interpretation. It is also suggested that an attorney general (fees and costs) provision for vindicators of fair use rights be amended to the DMCA to further define the contours of fair use on the Internet, protect disadvantaged end users, and eliminate takedown issuances for marginal economic uses.

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INTRODUCTION

Many of you reading this Note have ample experience posting content to the Internet on sites such as YouTube, Facebook, and eBay. Many people are not aware of the extensive procedural system that operates behind the scenes for the benefit of copyright owners and the service providers that run those popular sites. Usually, most users can go about their business without running into any copyright issues. Unfortunately for others, their experiences have been different, and they are all too familiar with the notice and takedown provisions of the Digital Millennium Copyright Act (“DMCA”).

Imagine you want to share video of your dancing one-year-old baby with your parents, who live in another state. These days, most people would simply upload the video to YouTube and tell their parents to log on and check it out. But beware when you do—and turn off all of the radios playing in the background during the video! The artist whose song is playing in the background might just demand that YouTube make your baby stop dancing! Furthermore, YouTube will comply, and your video will be unavailable for ten days or more—you might even be sued in federal court. For you, the DMCA takedown procedures have, at best, become a nuisance. For others, abusive or disruptive takedown practices can be a serious problem affecting one’s livelihood or stifling free speech. This situation and others like it are explored below, as well as actions that can be taken to alleviate some of these problems without seriously affecting a copyright holder’s ability to protect their commercial interests online.

Relevant laws governing the notice and takedown procedures contained in Title II of the DMCA are first outlined in Part I of the Note. Specifically, the first section discusses the legislative history of the act and the technical requirements of the notice and takedown procedures. The second section highlights the specific protections reserved for individual end users’ rights as consumers and users of copyrighted works in the digital age. The particular contours of end users’ rights are far from crystal clear; the rest of the section addresses this by highlighting the sparse amount of judicial commentary on § 512(f).

Part II of this paper discusses some of the more recent and well-publicized instances in which there has been significant public discourse regarding the DMCA takedown notice procedures and their effectiveness. It focuses on examples of perceived problems with the manner in which the takedown provisions operate and analyzes them in light of the balance of protection the statute affords. It will also

discuss the concerns related to these problems in the context of copyright law and its place in our society.

Part III outlines my two-tiered proposal; the first section advises courts to adopt an objective standard of knowledge under the § 512(f) misrepresentation provision. The second section illustrates the advantages of amending the DMCA to include a private attorney general provision applicable to the vindication of fair use rights. With these changes, the DMCA can be championed as a law that strengthens all parties' positions, favoring no one and helping all. Users will be free to post material on the Internet without fear of harassment and will have the benefit of a more well-defined fair use doctrine; Internet Service Providers ("ISPs"¹) will remain safely moored in their harbors; and copyright owners will continue to have the ability to respond quickly to serious infringement in the digital age.

I. THE LAW

Before the significance of the DCMA takedown procedures and current practices can be fully understood, it is necessary to detail the history of the Act itself. Thus, this section will present a brief summary of the legislative history of Title II of the DMCA, the notice and takedown provisions contained therein, and their impact on ISPs, copyright holders, and end users. It will then explore the relevant judicial decisions impacting the protections afforded to end users, copyright holders, and ISPs under § 512.

A. LEGISLATIVE HISTORY OF THE DMCA

During the 1990s, the United States Congress began to investigate remedies for the prediction that the copyright laws in their then-current states would provide an inadequate framework to handle the digital transmission and availability of copyrighted works on the Internet.² The premise was that, absent legislative intervention, copyright law would fail to protect copyrighted works in a manner that would "make digital networks safe places to disseminate and exploit"

¹ Throughout this Note, any reference to an ISP should be regarded as a reference to an entity meeting the requirements found in § 512. Its definition is not restricted to providers of Internet connections, but to those providing online services as well (also referred to as "OSPs" or Online Service Providers).

² S. REP. NO. 105-190, at 2 (1998).

such works.³ Digital networks were, by default, dangerous places for copyrighted works to exist because of the ease with which digital works could be copied and distributed.⁴ Without enhanced protection, copyright owners would hesitate to make their works available online.⁵ By achieving a higher level of protection for copyrighted works in this new medium, the public would also benefit through the increase in the availability of works—"the fruit of American creative genius"—via the Internet.⁶

However, copyright owners were not the only constituency that had difficulty with the implementation of copyright law on the Internet. The Senate acknowledged, with sympathy, the uncertainty faced by many ISPs during this burgeoning period of the Internet, citing *Netcom*,⁷ *Playboy*,⁸ and *Marobie-FL*⁹ as examples of conflicting case law on the issue of ISP copyright infringement liability.¹⁰ Congress recognized that ISPs experienced a high level of risk for both direct and secondary copyright infringement simply because of the nature of the operation of a digital network, and that this heightened

³ *Id.*

⁴ *Id.* at 8.

⁵ *Id.*

⁶ *Id.* at 2. The report also noted that a stronger international standard would "encourage the continued growth of the existing off-line global marketplace for copyrighted works in digital format." *Id.* at 8.

⁷ *Religious Tech. Ctr. v. Netcom On-line Commc'ns Servs.*, 907 F. Supp. 1361 (N.D. Cal. 1995) (finding no ISP secondary liability from user acts). The DMCA "essentially codifies the result" of *Netcom*. H.R. Rep. No. 105-551 pt. 1, at 11 (1998).

⁸ *Playboy Enter. v. Frena*, 839 F. Supp. 1552 (M.D. Fla. 1993) (finding ISP secondarily liable for infringing material posted by user).

⁹ *Marobie-FL v. Nat'l Assn. of Fire Equip. Distrib.*, 983 F. Supp. 1167 (N.D. Ill. 1997) (finding no ISP secondary liability from user acts).

¹⁰ S. REP. NO. 105-190, at 19 (citing the cases *supra* notes 7-9). ISPs can be held liable for copyright infringement, not just by violating a plaintiff's exclusive right directly, but in circumstances where the ISP "did not tak[e] part in the final act' of infringement." Mike Scott, *Safe Harbors Under the Digital Millennium Copyright Act*, 9 N.Y.U. J. LEGIS. & PUB. POL'Y 99, 104 (2005-2006) (quoting *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 436 (1984) (quoting *Kalem Co. v. Harper Bros.*, 222 U.S. 55, 63 (1911)). This occurs in the context of "an 'ongoing relationship' between a direct infringer and a non-acting party" where the non-acting party is in a position to control the activity of the non-acting party. *Id.*

risk level would translate into underinvestment in expanding the speed and capacity of the Internet.¹¹ While ultimately concluding that the contours of secondary liability were best fleshed out in the courts, Congress created a set of safe harbors that would potentially shield ISPs from liability (regardless of the standard for secondary liability reached in the courts).¹² An ISP qualifies for limited liability by showing that it is a qualified service provider under § 512(k)(1) and that the infringing activity for which it is accused is an activity described in § 512(a), (b), (c), (d), or (g).¹³ Subsections (a)-(d) define the four types of activities for which safe harbors are provided: “(a) providing Internet access; (b) system caching or temporary storage of material; (c) passive storage or hosting of material posted by others; and (d) providing location tools.”¹⁴ The fifth subsection, subsection (g), limits liability for any type of ISP when it removes or replaces copyrighted material that is the subject of a DMCA notice or counter notice.¹⁵

B. DMCA STATUTORY NOTICE AND TAKEDOWN PROVISIONS

By providing ISPs with safe harbors from liability, Congress intended to encourage investment and expansion in the infrastructure of the Internet.¹⁶ However, Congress also recognized that by doing so, it might be disincentivizing ISPs from taking proactive measures to counteract copyright infringement.¹⁷ Congress thus introduced the notice and takedown procedures into the DMCA as a tool to

¹¹ S. REP. NO. 105-190, at 8.

¹² *Id.* at 19. The DMCA is not intended to modify the existence of liability with respect to judicial interpretations of any copyright infringement doctrines; instead it operates to limit monetary liability in the event that an ISP is found liable for infringement, provided that the ISP has satisfied the prerequisites of the Act for the given activity for which it claims safe harbor protection. H. REP. NO. 105-796, at 73 (1998). Injunctive relief is limited for qualifying ISPs to the extent specified in § 512(j). *Id.*

¹³ H. REP. NO. 105-190, at 73.

¹⁴ Edward Lee, *Decoding the DMCA Safe Harbors*, 32 COLUM. J.L. & ARTS 233, 235 (2009).

¹⁵ 17 U.S.C. § 512(g)(1), (4) (2006).

¹⁶ S. REP. NO. 105-190, at 1-2.

¹⁷ *See id.* at 20.

strengthen copyright holders' ability to protect their rights on the Internet.¹⁸

The basics of the notice and takedown procedures begin with the requirements set forth in § 512(c); an ISP must meet these in order to qualify for the limited liability provided by the Act.¹⁹ An ISP will qualify under this safe harbor if it: (1) is unaware of the infringing material;²⁰ (2) does not receive a direct financial benefit from the infringing activity;²¹ (3) acts expeditiously to disable access to the material upon notice of the alleged infringement by the copyright owner;²² (4) maintains an agent for receiving DMCA notices designated with the Copyright Office;²³ and (5) adopts and reasonably implements a policy providing for the termination of repeat infringers.²⁴ Thus, to maintain limited liability under the safe harbor, an ISP must respond to a notice provided by the copyright owner.²⁵ A statutory notification of infringing material is to include substantially: (i) a signature; (ii) identification of the copyright work; (iii) identification of the allegedly infringing material and information reasonably sufficient to assist in locating the material; (iv) the complaining party's contact information; (v) a statement that the complaining party has a good faith belief that the use of the material is not authorized by the owner or by law; and (vi) a statement that the information in the notice is accurate under penalty of perjury.²⁶

¹⁸ *Id.*

¹⁹ 17 U.S.C. § 512(c). This Note will focus on situations in which the alleged infringing material was passively stored by the ISP at the direction of a user. It is under these circumstances that the majority of disputes involving DMCA notice practice arise. *See* discussion, *See infra* discussion accompanying notes 104–51. The notice and takedown provisions extend, however, to other safe harbor activities. *See* 17 U.S.C. § 512(b)(2)(E), (d)(3). The proposals presented in this Note are intended to extend to all safe harbor activities subject to DMCA notice provisions.

²⁰ *Id.* § 512(c)(1)(A).

²¹ *Id.* § 512(c)(1)(B).

²² *Id.* § 512(c)(1)(C).

²³ *Id.* § 512(c)(2).

²⁴ *Id.* § 512(i)(1)(A).

²⁵ *Id.* § 512(c)(1)(C). Provided, however, that the notice complies “substantially” with § 512(c)(3) regarding its contents. *Id.* § 512(c)(3)(B).

²⁶ *Id.* § 512(c)(3)(A)(i)–(vi).

The bare minimum amount of information that a notice is required to contain to spur the ISP into action is identification of the copyrighted work, identification of the allegedly infringing material, and the complainant's contact information ((ii), (iii), and (iv) in the preceding paragraph).²⁷ The communication must be in written form and submitted to the ISP's designated agent.²⁸ Assuming a valid complaining notice, the ISP is required to "expeditiously" remove or disable access to the claimed infringing material.²⁹ It must also take "reasonable steps" to "promptly notify" the end user responsible for posting the material that is the subject of the complaint.³⁰

For example, imagine that a YouTube user uploads an unauthorized, recently released, music video to her YouTube page. The YouTube service initially qualifies for the safe harbor from copyright infringement liability under § 512(c) because, by allowing users to upload videos to its servers for viewing by others, it passively stores information at the direction of its users on a system controlled or operated by YouTube. In the provision of its services, YouTube is not aware of specific acts of infringement,³¹ does not receive a direct financial benefit from the activity, has a reasonable termination policy for repeat infringers,³² and designates a DMCA agent for receiving takedown notices from copyright holders.³³

²⁷ *Id.* § 512(c)(3). Subsection (B) contains two provisions which operate together to allow a complaining notice to be considered against the ISP as evidence of its awareness of the infringing activity unless it contacts the complaining party "to assist in receipt of notification that substantially complies" when these three items are included in the notice. *Id.* § 512(c)(3)(B). This incentivizes ISPs to act on this minimum amount of information to cooperate with the rights holder to identify the end user responsible and disable access to retain limited liability.

²⁸ *Id.* § 512(c)(3).

²⁹ *Id.* § 512(c)(1)(C).

³⁰ *Id.* § 512(g)(2)(A).

³¹ For the most recent ruling on the "knowledge" standard found in § 512(c)(1)(A), see *Viacom Int'l Inc. v. YouTube, Inc.*, No. 07 Civ. 3582 (S.D.N.Y. June 23, 2010).

³² YOUTUBE TERMS OF SERVICE, <http://www.youtube.com/t/terms> (last visited Feb. 15, 2011).

³³ AMENDED INTERIM DESIGNATION OF AGENT TO RECEIVE NOTIFICATION OF CLAIMED INFRINGEMENT, <http://www.copyright.gov/onlinesp/agents/y/youtube.pdf> (last visited Feb. 15, 2011).

The musician's record label may employ several people to search sites like YouTube for material that they believe infringes on their clients' copyrights. In this particular example, a record label employee comes across the user's unauthorized posting of the artist's music video. The record label then prepares a takedown notice, setting forth: an identification of the copyrighted work (the music video or musical work); the claimed infringing material (the user's posting on YouTube); information reasonably sufficient to permit the service provider to locate the material (for example, a URL and the user's account name) and the record label's contact information. In order for the safe harbor to remain applicable to it, YouTube, upon receipt of this notice, must work with the record label to identify and remove access to the claimed infringing material. Usually, this involves blocking others from viewing the video at issue and providing notice to the user that YouTube received a takedown notice and disabled access to the user's content.

After a takedown occurs, the accused end user is given the opportunity to provide the ISP with a counter notification that, along with pertinent identifying information, includes a statement that the user has "a good faith belief" that the notice was the result of a "mistake or misidentification."³⁴ To maintain limited liability, the ISP must then "promptly" forward the counter notice to the rights holder and inform the rights holder that the material will be replaced in ten business days.³⁵ It also must replace the material ten to fourteen days following the receipt of the counter notice, unless it receives notice that the original complainant filed a lawsuit.³⁶

Returning to the example above, assume that the YouTube user who posted the music video has a valid belief that her use of the material is legal and authorized. To reverse the disabling of the music video, she would send a counter notification to YouTube, who then forwards it on to the music label. The music label then has ten to fourteen days in which to file a federal lawsuit against the user and notify YouTube of its actions. After this time period, if YouTube has not received such a notice, it would repost or enable the material.

³⁴ 17 U.S.C. § 512(g)(3)(A)–(D).

³⁵ *Id.* § 512(g)(2)(B).

³⁶ *Id.* § 512(g)(2)(C).

C. CASE LAW AND SECTION 512(F)

Apart from the notice and takedown procedures that provide limited liability to ISPs and enhanced protection of copyrighted works, ISPs, copyright owners, and end users are given another protection in the form of § 512(f). Section 512(f) creates a cause of action against anyone who “knowingly materially misrepresents...that [the] material or activity is infringing, or...was removed or disabled by mistake or misidentification.”³⁷ The remedies for a violation of this section include liability for any damages, including costs and attorney fees.³⁸ Moreover, the cause of action § 512(f) provides is enforceable against both the end user and the rights holder.³⁹

1. THE *DIEBOLD* STANDARD

The cases interpreting the knowing material misrepresentation language of § 512(f), and consequently outlining the scope of its protection, are few. In 2004, two accused infringers and their ISP filed a § 512(f) action against Diebold Inc. seeking injunctive, declaratory, and monetary relief. They alleged that Diebold knowingly and materially misrepresented that email archives posted on various websites by the student plaintiffs were infringing.⁴⁰ The complaint explicitly included a count alleging a violation of § 512(f).⁴¹ Diebold produced electronic voting machines that had been the subject of contemporaneous criticism regarding the machines’ reliability and verification procedures.⁴² An email archive containing evidence of employee-acknowledged problems associated with the machines was leaked and posted on the Internet by an unknown party sometime in

³⁷ *Id.* § 512(f).

³⁸ *Id.*

³⁹ *See id.*

⁴⁰ *Online Policy Group v. Diebold, Inc.*, 337 F. Supp. 2d 1195, 1198 (N.D. Cal. 2004).

⁴¹ Complaint ¶¶ 74–81, *Diebold*, 337 F. Supp. 2d 1195 (No. C 03-04913 JF).

⁴² *Diebold*, 337 F. Supp. 2d at 1197.

2003.⁴³ The student plaintiffs in the case reproduced this archive on various websites.⁴⁴

The *Diebold* court found that the posting of some of the contents of the email archive was lawful, and that Diebold never identified any specific emails that contained copyrighted content.⁴⁵ Explaining the fair use doctrine's posture in the attempt to ameliorate conflicts between the First Amendment and copyright laws,⁴⁶ the court stated it was "hard to imagine a subject the discussion of which could be more in the public interest."⁴⁷ Based on these considerations, the court held that Diebold used the DMCA to suppress publication of content not subject to copyright protection.⁴⁸

After reaching the aforementioned conclusion, the issue was whether Diebold, through its use of the DMCA to suppress publication of a non-copyrighted work, knowingly materially misrepresented that the publication constituted an infringing activity.⁴⁹ Deciding the issue as a case of first impression, the court rejected the plaintiffs' contention that the standard required a DMCA takedown notice author to have an "objectively measured 'likelihood of success on the merits'" as one that would "impermissibly chill the rights of copyright owners."⁵⁰ It likewise rejected Diebold's interpretation that the standard should be similar to that imposed under Rule 11 of the Federal Rules of Civil Procedure. It held that the Rule 11 standard was explicitly different from the standard adopted by Congress under the statute.⁵¹ The court instead, consulting Black's Law Dictionary,

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ *Id.* at 1203. This fact is important with respect to the knowledge standard of § 512(f), because Diebold apparently "acknowledged that at least some of the emails [were] subject to the fair use doctrine." *Id.*

⁴⁶ *Id.* at 1200.

⁴⁷ *Id.* at 1203. The court also cited the noncommercial character and transformative nature of the use. *Id.* For a more thorough discussion of fair use, see generally Pamela Samuelson, *Unbundling Fair Uses*, 77 *FORDHAM L. REV.* 2537, 2576 (2009) (comprehensively discussing fair use in U.S. copyright law).

⁴⁸ *Id.*

⁴⁹ *Id.* at 1204.

⁵⁰ *Id.*

⁵¹ *Id.*

interpreted “knowingly” to mean “that a party actually knew, should have known if it acted with reasonable care or diligence, or would have had no substantial doubt had it been acting in good faith, that it was making a misrepresentation.”⁵²

Applying this standard, the *Diebold* court found that “[n]o reasonable copyright holder could have believed that the portions of the email archive discussing possible technical problems with Diebold’s voting machines were protected by copyright.”⁵³ It found no genuine issue of material fact that Diebold knew or intended to prevent publication of the content with DMCA notices.⁵⁴ Interestingly, the court also cited the fact that Diebold did not file a lawsuit after sending its takedown notice as evidence that suggested Diebold used the DMCA improperly.⁵⁵

The *Diebold* case set forth the first interpretation of the statutory standard for § 512(f) liability. The court’s findings that: the material at issue was of great public interest and damaging to Diebold in a public relations context; no reasonable copyright holder could have believed that the email archive portions at issue were protected by copyright; Diebold appeared to have acknowledged that at least some emails were subject to the fair use doctrine; and that Diebold filed a takedown notice that was subject to a counter notice and did not bring suit, collectively demonstrate that Diebold actually knew, or should have known had it acted with reasonable care, that it was making a misrepresentation.

2. THE *ROSSI* STANDARD

Shortly after the *Diebold* decision, a subsequent Ninth Circuit decision in *Rossi v. Motion Picture Assoc. of Am. Inc* seemingly addressed § 512(f) as well.⁵⁶ The MPAA was notified of potentially infringing material on Rossi’s website via an anti-piracy detection program used by one of the MPAA’s member companies.⁵⁷ Rossi

⁵² *Id.*

⁵³ *Id.*

⁵⁴ *Id.*

⁵⁵ *Id.* at 1204-05; see also *infra* discussion accompanying note 112.

⁵⁶ *Rossi v. Motion Picture Assoc. of Am. Inc.*, 391 F.3d 1000 (9th Cir. 2004). The *Rossi* court did not reference the *Diebold* decision in its opinion. See generally *id.*

⁵⁷ *Id.* at 1005.

received notice from his ISP that his website would be shut down and he subsequently moved it to another ISP.⁵⁸ Rossi filed suit, contending that his website—while advertising that it contained “Full Length Downloadable Movies”⁵⁹—did not actually contain any movies that could be downloaded.⁶⁰ Therefore, according to Rossi, the MPAA could not have had a good faith belief that Rossi was illegally infringing the MPAA’s copyrights because it did not conduct an investigation into the truth of those statements before issuing a takedown notice.⁶¹

Rossi’s suit alleged four counts against the MPAA, none of which were § 512 actions.⁶² The district court found that, because the MPAA filed properly prepared takedown notices with Rossi’s ISP, Rossi could not prove that the MPAA acted without justification.⁶³ To reach this conclusion, it was necessary for the court to determine if the MPAA’s takedown notices complied with the requirements found in § 512(c)(3)(A).⁶⁴ The court ultimately concluded that the takedown notices were issued in good faith given Rossi’s statements on the website, and that failing to investigate the matter further did not deprive the MPAA of the good faith required for an effective takedown notice. It is worth reiterating here that the effectiveness of the takedown notice itself was the issue in the case; if the notice was effective, Rossi could not show that the MPAA acted without justification, a required element of his case.

The issue was then framed for a *de novo* review at the appellate level as a question of whether the MPAA had sufficient information to

⁵⁸ *Id.* at 1002.

⁵⁹ *Id.*

⁶⁰ *Id.* at 1003.

⁶¹ *Id.* The disposition of Rossi’s case turned on whether this “good faith belief” was present. *See infra* discussion accompanying note 65.

⁶² *Id.* at 1002; Complaint ¶¶ 10–35, *Rossi v. Motion Picture Assoc. of Am. Inc.*, No. 02-00239, 2003 WL 21511750 (D. Haw. April 29, 2003).

⁶³ *Rossi*, No. 02-00239, 2003 WL 21511750, at *3. Two of Rossi’s state claims required that he prove that the MPAA acted without justification. *Id.* at *2. The remaining counts were decided in part based on the reasonableness of the complying DMCA takedown notice. *Id.* at *4–5.

⁶⁴ *Id.* at *3 (agreeing with the defendants’ assertion that “acting pursuant to and in accord with the DMCA provides the justification required to defeat Plaintiff’s tortious interference claims.”).

form a “good faith belief” that Rossi was infringing the MPAA copyrights as required under section § 512(c)(3)(A)(v), because the MPAA did not attempt to download any of the copyrighted works.⁶⁵ The court first properly concluded that the “good faith belief” standard present in § 512(c)(3)(A)(v) was a subjective standard.⁶⁶ It held that “interpretive case law and the statutory structure of § 512(c)” supported this conclusion.⁶⁷ To support this conclusion, the *Rossi* court cited several cases interpreting the language “good faith belief” found in other statutes to be based on a subjective standard.⁶⁸

The *Rossi* court’s subsequent support for its holding becomes fuzzy. First looking to subsection § 512(f) for guidance in interpreting the good faith belief standard of § 512(c)(3)(A)(v), the court stated that the “knowing misrepresentation” standard found in § 512(f) required “a demonstration of some actual knowledge of misrepresentation.”⁶⁹ No citation to authority other than § 512(f) itself was given for this statement, nor was an explanation for this statement given by the court.⁷⁰ The *Rossi* court went on to reason that, because § 512(f) required a subjective standard of knowledge, it followed naturally that the good faith belief standard would require a subjective reading as well.⁷¹

The court found that Rossi failed to raise a genuine issue of fact as to whether the MPAA violated § 512 requirements because the MPAA reviewed Rossi’s website upon the discovery of potentially infringing material, and subjectively believed it to contain infringing content.⁷² Based on the statements contained on the website (regarding the presence of infringing material), the MPAA was found to have had a “good faith belief” as required by the DMCA notice provisions.⁷³

⁶⁵ *Rossi*, 391 F.3d at 1003.

⁶⁶ *Id.* at 1004.

⁶⁷ *Id.*

⁶⁸ *Id.*

⁶⁹ *Id.* at 1004–05.

⁷⁰ *Id.* at 1005.

⁷¹ *Id.*

⁷² *Id.*

⁷³ *Id.* Interestingly, in a footnote, the court implied that the MPAA formed its good faith belief regardless of the fact that the website was located using an automated content

3. THE PROPAGATION OF THE *ROSSI* STANDARD

The interpretation of the DMCA provisions in *Rossi* has been subsequently propagated to other courts. The year after *Rossi* was decided, the District of Colorado had a chance to interpret § 512 provisions in *Dudnikov v. MGA Entertainment, Inc.*, and perhaps clarify the *Rossi* decision.⁷⁴ This, however, did not happen. In the complaint, plaintiffs alleged that MGA falsely notified eBay that an item offered for sale by the plaintiffs infringed MGA's copyright, and that such an act constituted perjury under § 512.⁷⁵ Thus, the *Dudnikov* court faced an express allegation of perjury, presumably as a violation of § 512(c)(3)(A). The court followed language from *Rossi*, holding that the plaintiffs' perjury claim "must be supported by substantial evidence that MGA knowingly and materially misrepresented" its infringement claims.⁷⁶ The court went further to adopt the Magistrate's determination that there is no general civil action for perjury, and thus analyzed the plaintiffs' claim under § 512(f), not § 512(c)(3)(A), the perjury provision.⁷⁷ Unfortunately, the good faith belief standard of the ISP liability provisions was again imputed to causes of actions brought under § 512(f).

Once more, in *Augusto*, the Central District of California imputed the § 512(c)(3)(A)(v) good faith belief standard to a § 512(f) action.⁷⁸ *Augusto* included an express § 512(f) claim of knowing misrepresentation as a counterclaim in his answer.⁷⁹ The court stated that liability under § 512(f) could be found "only if the owner did not possess a subjective good faith belief that its copyright was being

locator program, because several MPAA employees personally reviewed the website and determined it to contain infringing material. *Id.* at n.7. Although not a clear statement by the court, this footnote seems to suggest that in future cases wherein erroneous notices are issued as a result of using automated software and without human review, a good faith belief may not have been formed.

⁷⁴ *Dudnikov v. MGA Entm't Inc.*, 410 F. Supp. 2d 1010 (D. Colo. 2005).

⁷⁵ Complaint ¶ 17, *Dudnikov v. MGA Entertainment, Inc.*, No. CIV.A.03-D-2512 (D. Colo. Dec. 10, 2003). No subsection of § 512 was cited. *See id.*

⁷⁶ *Dudnikov*, 410 F. Supp. 2d at 1012 (citing *Rossi*, 391 F.3d at 1004–05).

⁷⁷ *Id.* I suggest, however, that a claim for perjury does in fact lie in § 512(c)(3)(A). *See* 17 U.S.C. §§ 512(c)(3)(A)(v)–(vi).

⁷⁸ *UMG Recordings, Inc. v. Augusto*, 558 F. Supp. 2d 1055, 1065 (C.D. Cal. 2008).

⁷⁹ Answer and Counterclaim ¶¶ 29–35, *UMG*, 558 F. Supp. 2d 1055 (No. 2:07-cv-3106).

infringed.” Ultimately, the *Augusto* court found that the copyright owner had the requisite good faith belief, and granted the counter-defendant’s motion for summary judgment regarding Augusto’s § 512(f) counterclaim.⁸⁰

Shortly thereafter, the Northern District of California compounded the confusion surrounding the interpretation of § 512(f). In *Lenz*, the sole claim in Lenz’s complaint against Universal was for misrepresentation under § 512(f) based on Universal’s DMCA notice to YouTube that resulted in the removal of Lenz’s content from the site.⁸¹ Universal moved to dismiss the complaint for failure to state a claim upon which relief may be granted under Federal Rule 12(b)(6).⁸² The court framed the issue as whether § 512(c)(3)(A)(v) required a copyright owner “to consider the fair use doctrine in formulating a good faith belief that ‘use of the material in the manner complained of is not authorized by the copyright owner, its agent, or the law.’”⁸³ It held that § 512(c)(3)(A)(v) required a copyright owner to “evaluate whether the material makes fair use of copyright” in order to proceed with a DMCA takedown notice in good faith.⁸⁴

Therefore, an allegation of bad faith on the part of a copyright owner in proceeding to issue a takedown notice without first properly considering the fair use doctrine would be sufficient to state a claim of misrepresentation under § 512(f).⁸⁵ Presumably, it would be sufficient because a finding of actual knowledge of misrepresentation would naturally follow a bad faith belief finding under § 512(c)(3)(A)(v), thus creating liability under § 512(f). But this interpretation would seem to suggest that the third prong of the *Diebold* knowledge standard—that the copyright owner “would have no substantial doubt had it been acting in good faith, that it was making a misrepresentation”—is being used to find liability under § 512(f). That is, if the copyright owner acted in bad faith by failing to consider the fair use doctrine before

⁸⁰ *UMG*, 558 F. Supp. 2d at 1065 (citing *Rossi*, 391 F.3d at 1004–05; *Dudnikov*, 410 F. Supp. 2d at 1017).

⁸¹ *Lenz v. Universal Music Corp.*, 572 F. Supp. 2d 1150, 1153 (N.D. Cal 2008).

⁸² *Id.* A Rule 12(b)(6) dismissal would be appropriate only if the *Lenz* court were to find that “the complaint lack[ed] a cognizable theory or sufficient facts to support a cognizable legal theory.” *Id.*

⁸³ *Id.* at 1154.

⁸⁴ *Id.*

⁸⁵ *Id.* at 1154–55.

issuing the takedown notice, they would be liable under § 512(f) regardless of their *actual* knowledge of the infringing nature of the use at issue. The *Lenz* court's decision to uphold *Lenz's* § 512(f) claim against Universal's 12(b)(6) motion alone would probably have been perceived as an increase to end user protection under the DMCA and a small victory for fair use advocates if not for the court subsequently removing most of this perceived increase by postulating that, even in this seemingly egregious case of abuse, it had "considerable doubt that *Lenz* will be able to prove that Universal acted with the subjective bad faith required by *Rossi*."⁸⁶ This disconnect might be attributable to the fact that the *Rossi* and *Lenz* decisions were decided on summary judgment and on a 12(b)(6) motion, respectively.⁸⁷ Once again, the *Rossi* conflation of the two subsections was not questioned.

The *Lenz* case was followed by an Eastern District of Wisconsin case. In this case, the court decided whether the plaintiff made knowing material misrepresentations about the infringing nature of the material at issue.⁸⁸ Specifically, the plaintiff issued takedown notices for material that he was ultimately found not to have owned.⁸⁹ Just as in *Augusto*, the district court cited *Rossi* and held that a party must violate the subjective good faith belief standard of § 512(c)(3)(A)(v) to create liability for misrepresentation under § 512(f) and therefore dismissed the claim.⁹⁰

The Southern District of New York, in *Cabell*, soon followed suit, finding "actual knowledge" of misrepresentation to be "a prerequisite to liability under section 512(f)."⁹¹ The *Cabell* court cited its earlier *Arista Records v. MP3Board*⁹² decision as support for this holding.⁹³

⁸⁶ *Id.* at 1156.

⁸⁷ See Jordan Koss, *Protecting Free Speech for Unequivocal Fair Users: Rethinking Our Interpretation of the § 512(f) Misrepresentation Clause*, 28 CARDOZO ARTS & ENT. L.J. 149, 167–68 (2010).

⁸⁸ Third Educ. Group, Inc. v. Phelps, 675 F. Supp. 2d 916, 919 (E.D. Wis. 2009).

⁸⁹ *Id.* at 927.

⁹⁰ *Id.*

⁹¹ *Cabell v. Zimmerman*, No. 09-cv-10134, 2010 WL 996007, at *4 (S.D.N.Y. Mar. 12, 2010) (slip copy).

⁹² *Arista Records, Inc. v. MP3Board, Inc.*, No. 00-cv-4660, 2002 WL 1997918, at *14 (S.D.N.Y. Aug. 29, 2002).

⁹³ *Cabell*, 2010 WL 996007, at *4.

However, the earlier *Arista* court held only that the defendant's misrepresentation claim must fail because it did not make a misrepresentation.⁹⁴ The defendant's claim in *Arista* was based on the fact that the plaintiff's DMCA notice containing a list of infringing materials included one song that was "authorized to be on the Internet."⁹⁵ The general representation made by the plaintiffs was true—that the listed materials were infringing.⁹⁶

The case law history regarding the application of § 512(f) by end users seeking protection from abusive, erroneous, or disruptive DMCA notices therefore demonstrates that the issue is far from settled in most circuits, having only appeared at issue before the judiciary in the Second,⁹⁷ Seventh,⁹⁸ Ninth,⁹⁹ and Tenth¹⁰⁰ Circuits. It also suggests that the precise requirements for a finding of liability under § 512(f) may have a shaky foundation.

II. THE PROBLEM

The DMCA was enacted largely as a balancing act, attempting to ease the burden of rights enforcement on the Internet for copyright owners without simultaneously hindering the growth and development of electronic commerce.¹⁰¹ In a broad sense, the DMCA has largely been a success, providing both ISPs and rights holders with more certainty regarding liability and enhanced protection,

⁹⁴ *Arista*, 2002 WL 1997918, at *15.

⁹⁵ *Id.*

⁹⁶ *Id.* ("The presence of one authorized song file does not constitute a material misrepresentation in light of the facts of this case.").

⁹⁷ *Cabell*, 2010 WL 996007 ; *Arista*, 2002 WL 1997918 .

⁹⁸ *Third Educ. Group, Inc. v. Phelps*, 675 F. Supp. 2d 916 (E.D. Wis. 2009).

⁹⁹ *Rossi*, 391 F.3d 1000; *Lenz*, 572 F. Supp. 2d 1150; *UMG*, 558 F. Supp. 2d 1055; *Diebold*, 337 F. Supp. 2d 1195.

¹⁰⁰ *Dudnikov v. MGA Entertainment, Inc.*, 410 F. Supp. 2d 1010 (D. Colo. 2005).

¹⁰¹ S. REP. NO. 105-190, at 8 (1998). *See also id.* at 2 (primary purpose "to make digital networks safe places to disseminate and exploit copyrighted materials").

respectively.¹⁰² But, scholars note the compromise struck by this legislation may not adequately protect the end user or consumer.¹⁰³

The validity of such concerns manifests in the current practices involving DMCA takedown procedures. Many recent events involving copyright owners' use of the DMCA notice and takedown provisions have garnered significant media attention. Often times, the coverage of these events calls into question the appropriateness of the unchecked power inherent in these provisions. This section will illustrate the perceived problems with the DMCA's inadequate protection of individual users and discuss its consequences.

A. DMCA ABUSES

The notice and takedown procedures set out in § 512 of the DMCA are intended to satisfy "the need for rapid response to potential infringement" on digital networks.¹⁰⁴ However, since its enactment, observers of DMCA takedown practices have decried a plethora of uses by rights holders as abuse of the process.¹⁰⁵ Much of the criticism focuses on DMCA takedown notices that are sent for reasons unrelated to copyright enforcement (e.g., to stifle publication or speech) or notices that go beyond a "rapid response to potential infringement" (e.g., blatant disregard for the fair use doctrine).¹⁰⁶ Both criticisms can be categorized as perceived overreaching and can be—and often are—intertwined.

¹⁰² Lisa Peets & Mark Young, *Internet Piracy 10 Years On*, 1 LANDSLIDE 40, 41 (2009); David Kravets, *10 Years Later, Misunderstood DMCA is the Law that Saved the Web*, WIRED, (Oct. 27, 2008, 3:01 PM), <http://www.wired.com/threatlevel/2008/10/ten-years-later> ("Today's internet is largely an outgrowth of the much-reviled Digital Millennium Copyright Act that lawmakers passed in 1998, and President Clinton signed into law exactly a decade ago Tuesday.").

¹⁰³ Kathleen O'Donnell, *Lenz v. Universal Music Corp. and the Potential Effect of Fair Use Analysis Under the Takedown Procedures of § 512 of the DMCA*, 2009 DUKE L. & TECH. REV. 010, ¶ 20 (2009). The author notes that the protection afforded to end users "grants the benefit of doubt to the copyright holder in a way that significantly impairs fair use on the Internet." *Id.* ¶ 13. See also Koss, *supra* note 87, at 151.

¹⁰⁴ S. REP. NO.105-190, at 21 (1998).

¹⁰⁵ One particularly outspoken critic and public watchdog has been the Electronic Frontier Foundation, who maintains a "Takedown Hall of Shame." *Takedown Hall of Shame*, ELECTRONIC FRONTIER FOUNDATION, <http://www.eff.org/takedowns> (last visited Feb. 15, 2011).

¹⁰⁶ See *infra* discussion accompanying notes 107–36.

Lenz v. Universal is a good contemporaneous example of a dispute involving a DMCA takedown notice.¹⁰⁷ The case began when Universal sent a DMCA takedown notice to YouTube demanding that they remove a twenty-nine second video clip that contained approximately twenty seconds of the Prince song “Let’s Go Crazy.”¹⁰⁸ The song played in the background while mother Stephanie Lenz filmed her young children dancing around the room asking, “what do you think of the music?”¹⁰⁹ The opinion notes that the song can be heard, “albeit with some difficulty given the poor sound quality of the video.”¹¹⁰ Many commentators expressed indignation that a DMCA notice was used to remove content from the web in a case in which many agree was probably a fair use of the copyrighted work.¹¹¹ And, while in no way a concession that Lenz’s use was fair, the fact that Universal did not file a lawsuit in response to Lenz’s counter notice—resulting in the subsequent restoration of her video prior to the commencement of her case against Universal—is telling.¹¹²

Another incident provides an example of misuse of the DMCA takedown procedures in which the party issuing the DMCA takedown notices did not own the works contained in the notices.¹¹³ The misrepresentation was so egregious that the fact that the uses of the

¹⁰⁷ 572 F. Supp. 2d at 1150.

¹⁰⁸ *Id.* at 1151–52.

¹⁰⁹ *Id.*

¹¹⁰ *Id.* at 1152.

¹¹¹ Samuelson, *supra* note 47, at 2575–76 (describing the facts of the *Lenz* case as a hypothetical noninfringing incidental fair use). Many avid bloggers, reporters, and activists also expressed strong views that Lenz’s use was fair. *E.g.*, Mike Masnick, *Film Your Kid Dancing to a McDonald’s Happy Meal CD...Get a Takedown Notice from Google*, TECHDIRT (Dec. 30, 2009, 12:19 PM), <http://www.techdirt.com/articles/20091230/0252517545.shtml>; *Prince Tries to Bury “Dancing Baby” Clip*, ELECTRONIC FRONTIER FOUNDATION, <http://www.eff.org/takedowns/prince-tries-bury-dancing-baby-clip> (last visited Feb. 15, 2011).

¹¹² *See Lenz*, 572 F. Supp. 2d at 1152; *see also supra* discussion accompanying note 55.

¹¹³ Diehl v. Crook, ELECTRONIC FRONTIER FOUNDATION, <http://www.eff.org/cases/diehl-v-crook> (last visited Feb. 15, 2011). The fact that the DMCA notice issuer did not own a copyright in the materials is similar to the fact situation in *Diebold* discussed at *supra* note 40. It is not clear from the known facts whether a colorable claim of joint copyright ownership in an interview was legitimate. *But see infra* discussion accompanying notes 114–17.

work in question were clearly fair was not even raised.¹¹⁴ In this case, several websites posted altered screenshots of a Fox News interview in which the defendant Michael Crook participated.¹¹⁵ The altered screenshots made fun of and ridiculed Crook for his political views.¹¹⁶ Crook subsequently issued takedown notices to the complainants' ISPs, and many of their websites or portions of them were disabled.¹¹⁷ Crook had no valid claim to the rights in the Fox News screenshots, and merely used the DMCA procedures to stifle free speech.

This trend does not appear to be slowing, even in the wake of the *Lenz* decision, which was viewed as a small victory for fair use advocates. Recently, a Boston weatherman made an off-color joke during a live news broadcast.¹¹⁸ The WHDH station, while attempting to explain the statement as a technical problem with the monitor, simultaneously issued takedown notices to ISP hosting sites that posted or linked to the video.¹¹⁹ Around the same time period, the Archers Daniel Midland Company (ADM) issued takedown notices to stifle an edited version of a staged interview with ADM's CEO Patricia Woertz.¹²⁰ The video made it appear as if ADM were an evil multinational corporate conglomerate planning world domination through exploitation.¹²¹ Professor Friedman, who viewed the video at

¹¹⁴ See Complaint, *Diehl v. Crook*, No. Co6-06800 SBA (N.D. Cal. 2007), available at http://www.eff.org/files/filenode/diehl_v_crook/crook_complaint.pdf.

¹¹⁵ *Diehl v. Crook*, *supra* note 113.

¹¹⁶ *Id.*

¹¹⁷ *Id.*

¹¹⁸ *Weather Man Makes Joke about His 9 Inches.flv*, YOUTUBE.COM, <http://www.youtube.com/watch?v=37JVmudfpWU&feature=related> (last visited Apr. 16, 2010).

¹¹⁹ Justin Silverman, *Pete Bouchard and the Battle Against Bogus Takedowns*, CITIZEN MEDIA LAW PROJECT (Feb. 3, 2010), <http://www.citmedialaw.org/blog/2010/pete-bouchard-and-battle-against-bogus-takedowns>.

¹²⁰ Peter Friedman, *Archers Daniel Midland Abuses Copyright Law to Censor Criticism—Corporations Have the Right to Free Speech, But Not People Who Criticize Them?*, RULING IMAGINATION: LAW AND CREATIVITY (Feb. 4, 2010), <http://blogs.geniocity.com/friedman/2010/02/archers-daniel-midland-abuses-copyright-law-to-censor-criticism>.

¹²¹ *Id.*

issue (it cannot currently be found as of this writing), labeled ADM's actions as "outright copyright abuse."¹²²

Putting aside for a moment situations in which a copyright owner's motivation for issuing takedown notices seems to be at odds with the spirit of the DMCA, another potential problem arises. Copyright ownership can be enjoyed by a diverse range of entities, from an individual to an LLC, and all the way up to a large, complex, multinational corporation. It appears that instances of mistakenly issued DMCA takedown notices have begun to catch the public's watchful eye and may indeed prove just as harmful.

In one recent example, the Internet was abuzz after Google deleted several blogs from its Blogger site, citing its repeat infringer policy.¹²³ Apparently, Google deleted the blogs largely in response to a bevy of DMCA notices received from the International Federation of the Phonographic Industry.¹²⁴ While no one is rushing to claim that music blogs are always compliant with copyright laws, there were claims that some of the takedown notices were issued mistakenly. One blogger claimed that all of the material on his blog labeled as infringing in the DMCA takedown notices came directly from a promotional company, label, or artist.¹²⁵ For that particular blogger, the DMCA notice that broke the camel's back (i.e., led to the implementation of Blogger's three-strike termination policy) was in response to a post that contained no infringing material.¹²⁶ That particular article contained a link to an mp3 file that had been deactivated months before.¹²⁷

The Blogger incident demonstrates how, in large organizations—and indeed, even in small operations—mistakes can be made that lead to the issuance of DMCA notices that clearly should not have been

¹²² *Id.*

¹²³ Nate Anderson, *The Day the Music Blogs Died: Behind Google's Musicblogocide*, ARS TECHNICA (Feb. 15, 2010, 6:24 AM), <http://arstechnica.com/tech-policy/news/2010/02/the-day-the-music-blogs-died-behind-googles-musicblogocide.ars>.

¹²⁴ For example, one of the music blogs, livingears, was included in seventeen DMCA notices from IFPI over a six month period. *Chilling Effects Clearinghouse: Search the Database*, CHILLING EFFECTS, <https://www.chillingeffects.org/search.cgi?search=livingears> (last visited Feb. 15, 2011).

¹²⁵ Anderson, *supra* note 123.

¹²⁶ *Id.*

¹²⁷ *Id.*

issued. It can be as simple as the marketing department of a record label not informing the legal department that a particular copyrighted work has been sent to a music blogger for posting and commenting on its blog. In fact, viral marketing is experiencing an upward trend in today's new user generated content (UGC) universe, making it even more difficult to determine whether or not a use is infringing.¹²⁸

Increasingly, copyright owners look to automate solutions to the demanding task of policing the Internet for infringing uses of their works.¹²⁹ Viacom, apparently utilizing such an automated method, included in a large batch of DMCA notices to YouTube, a notice that a video tutorial demonstrating an open source engine developed by the poster infringed one of its copyrights.¹³⁰ The open source 3D engine, used to develop 3D applications, was developed independently from anything related to Viacom material and dubbed "The Irrlicht Project."¹³¹ Nevertheless, Viacom's copyright infringement machine picked up the YouTube home video demonstration and sent a DMCA takedown notice.¹³² Since Viacom did not include a reference to the work it believed was being infringed, some speculate that it was a 1972 album by Klaus Schulze.¹³³ Whatever the cause, it seems clear that the DMCA notice was issued by mistake. No valid claim of infringement could stand, and consequently the material was restored.¹³⁴ There has also been speculation that the DMCA notice issued in the *Lenz* case was similarly the result of an automated process.¹³⁵

¹²⁸ Maria Lillä Montagnani, *A New Interface Between Copyright Law and Technology: How User-Generated Content Will Shape the Future of Online Distribution*, 26 CARDOZO ARTS & ENT. L.J. 719, 766–68 (2009).

¹²⁹ See, e.g., Elvin Lee, *ViaCom's Dragnet Catches a Few "Dolphins,"* CHILLING EFFECTS (Feb. 15, 2011), <http://www.chillingeffects.org/weather.cgi?WeatherID=580>.

¹³⁰ *Id.*

¹³¹ IRRLICHT ENGINE – A FREE OPEN SOURCE 3D ENGINE, <http://irrlicht.sourceforge.net> (last visited Feb. 15, 2011) "Irrlicht" is the German equivalent of "will-o'-the-wisp." IRRLICHT ENGINE, <http://irrlicht.sourceforge.net/faq.html> (last visited Feb. 15, 2011).

¹³² Lee, *supra* note 129.

¹³³ *Id.*

¹³⁴ *Id.*

¹³⁵ Michael S. Sawyer, *Filters, Fair Use & Feedback: User-Generated Content Principles and the DMCA*, 24 BERKLEY TECH. L.J. 363, 379 (2009).

While seemingly innocuous at first glance, mistaken takedown notices can, as demonstrated by the examples above, be just as fraught with problems as the aforementioned abuses of the DMCA procedures. Nor are mistaken DMCA notices something that are limited to large rights holders; it is in fact a problem common enough that one author of a website dedicated to reducing plagiarism on the Internet wrote that he receives a message related to authors sending faulty DMCA notices on a near daily basis.¹³⁶ With these cautionary examples in mind, the remainder of this section attempts to explain why the protections created by Congress for end users are insufficient.

B. UNBALANCED PROTECTIONS

Together, the synergy created by simultaneously giving copyright owners new mechanisms with which to assert their rights and providing limited liability safe harbors from copyright infringement for ISPs was meant to “facilitate the robust development and worldwide expansion of electronic commerce, communications, research, development, and education in the digital age.”¹³⁷ The overall affect that the DMCA has had on the Internet seems to be a positive one.¹³⁸ But, what about the rights of individual end users?

The Senate Report mentions—almost in passing—the interests of individual users on three separate occasions. The first instance is in the discussion section of the report, pointing out an amendment that was reached after three months of negotiations among major copyright owners and ISPs to provide “important procedural protections...to ensure [users] will not be mistakenly denied access” to the Internet.¹³⁹ It then discusses the (now) § 512(f) provision, observing that it is meant to deter knowingly false allegations as they are detrimental to copyright owners, ISPs, and individual end users.¹⁴⁰ The report further contemplates that the § 512(g) provision provides a mechanism for end users to respond to infringing

¹³⁶ Jonathan Bailey, *Top 5 DMCA Mistakes*, PLAGIARISM TODAY (Aug. 6, 2009), <http://www.plagiarismtoday.com/2009/08/06/top-5-dmca-mistakes>.

¹³⁷ S. REP. NO. 105-190, at 1–2 (1998).

¹³⁸ See Kravets, *supra* note 102.

¹³⁹ S. REP. NO. 105-190, at 9 (Note that the focus here is not on protecting speech or expression, but merely access.).

¹⁴⁰ *Id.* at 49.

complaints.¹⁴¹ Finally, the report points to the Ashcroft-Leahy-Hatch Amendment adopted to ensure reasonable notice to users and provide an opportunity to respond to infringement complaints (the counter notice provisions).¹⁴² Nowhere does the report attempt to quantify or contemplate the potential harm to end users that could result from overreaching on the part of rights holders.¹⁴³

These observations are reinforced when one considers the underrepresentation of the end users' interests during DMCA negotiations.¹⁴⁴ In the early stages of the construction of the DMCA and its predecessor bills, Senate hearings were "supplemented by a series of negotiations" between copyright owners and ISPs regarding the scope of liability for infringing activity.¹⁴⁵ This necessarily involved the notice and takedown regime, clearly affecting end users' interests—yet representatives of that constituency were underrepresented in the negotiations. For several months prior to the introduction of the DMCA as S. 1121, Chairman Hatch presided over "comprehensive negotiations"—again between copyright owners and ISPs to the exclusion of end users—involving ISP liability under the act.¹⁴⁶ The Senate Report's discussion of Title II concludes with the observation that it "preserves strong incentives" for rights holders and ISPs to "detect and deal with copyright infringements" while simultaneously providing certainty concerning ISP liability.¹⁴⁷ Again, there does not appear to be much concern for the effect the law would have on end users.

¹⁴¹ *Id.* at 49–51. *See also supra* discussion accompanying notes 34–36.

¹⁴² S. REP. NO. 105-190, at 67.

¹⁴³ Jennifer M. Urban & Laura Quilter, *Efficient Process or "Chilling Effects"? Takedown Notices Under Section 512 of the Digital Millennium Copyright Act*, 22 SANTA CLARA COMPUTER & HIGH TECH. L.J. 621, 635 (2006) ("no extended discussion arose concerning the implications . . . the removal procedure might have on freedom of expression . . . or due process").

¹⁴⁴ Senator Ashcroft expressed his view that the original bill, devoid of counter notice provisions, "provided little or no protection for an Internet user wrongfully accused of violating the copyright laws." 144 CONG. REC. S4884-01, 4889 (May 14, 1998) (statement of Sen. Ashcroft).

¹⁴⁵ S. REP. NO. 105-190, at 4.

¹⁴⁶ *Id.* at 7.

¹⁴⁷ *Id.* at 20.

The unbalanced result of this oversight has not gone unnoticed. Scholars argue that the protections in the notice and takedown provisions tip in favor of rights holders and ISPs, observing that “[p]rotections for the target of the notice” (the end user) are “relatively few.”¹⁴⁸ Of particular concern is the degree to which the inadequate protection of end users in the DMCA has enabled rights holders to significantly “impair fair use on the Internet.”¹⁴⁹ One author concludes that “[c]opyright holders have free license to target fair users.”¹⁵⁰ A comprehensive study of DMCA takedown notices archived by Chilling Effects reveals that a great many of notices have significant procedural or substantive flaws, and that takedown notices have been issued in “numerous questionable situations.”¹⁵¹ Others have noted the threat posed to free speech rights by abusive takedown notices.¹⁵² These observations and conclusions are troubling, to say the least.

The limited liability provided to ISPs incentivizes unjustified takedowns on the part of the ISP,¹⁵³ and users are thus left with the recourse of issuing a counter notice per § 512(g). Even this protection afforded to end users is underutilized, given the costs involved.¹⁵⁴ While in some cases the copyright holder may not continue to pursue the issue, some noted that even the short time period the materials will be absent from the Internet can be significant in the case of expressive materials.¹⁵⁵ The danger is the “potential diminution in the

¹⁴⁸ Urban & Quilter, *supra* note 143, at 628.

¹⁴⁹ O'Donnell, *supra* note 103, ¶ 13.

¹⁵⁰ Malla Pollack, *Rebalancing Section 512 to Protect Fair Users from Herds of Mice – Trampling Elephants, or a Little Due Process is Not Such a Dangerous Thing*, 22 SANTA CLARA COMPUTER & HIGH TECH. L.J. 547, 561 (2006).

¹⁵¹ Urban & Quilter, *supra* note 143, at 681.

¹⁵² Koss, *supra* note 87, at 151.

¹⁵³ Joshua Urist, *Who's Feeling Lucky? Skewed Incentives, Lack of Transparency, and Manipulation of Google Search Results Under the DMCA*, 1 BROOK. J. CORP. FIN. & COM. L. 209, 224 (2006).

¹⁵⁴ Andre Menko Bleech, *What's the Use? Good Faith Evaluations of 'Fair Use' and Digital Millennium Copyright Act 'Takedown' Notices*, 18 COMMLAW CONSPECTUS 241, 257 (2009).

¹⁵⁵ Urban & Quilter, *supra* note 143, at 636–37

value of calls to protest, competitive pricing, or newsworthy articles.”¹⁵⁶

In situations where the copyright holder responds to a counter notice by filing a federal lawsuit, the end user is often at a severe economic disadvantage.¹⁵⁷ The target of a takedown notice can have a legitimate fair use defense, but the fear of being subjected to a federal lawsuit and the costs involved may lead many end users to simply allow the material at issue to remain disabled. This is evident from the “small number of users that actually challenge a takedown notice or pursue claims for improper removal or delayed restoration.”¹⁵⁸ Nonprofit groups like Electronic Frontier Foundation (“EFF”) are helpful in this context, as they provide pro bono representation and counseling to end users.¹⁵⁹ But as even they acknowledge, they “do not have the resources to defend everyone who asks.”¹⁶⁰

Despite Congress’s lip service to end user concerns in the statutory history, it is clear that it can be frustrating for the victims of DMCA takedown notice abuses to find redress for their troubles. Especially bothersome is the fact that some members of the judiciary recognize that the purpose of § 512(f) is to prevent such abuse,¹⁶¹ yet decisions like *Rossi* have muted the efforts to correctly interpret one of the few statutory provisions that have a chance to level the playing field for end users. The remainder of this Note discusses potential solutions to the problems outlined above.

III. PROPOSAL

The abuses described above—and others—should be quelled, and end users deserve to have their interests better represented in the DMCA. Some suggest an outright repeal of § 512, advocating instead a

¹⁵⁶ *Id.*

¹⁵⁷ Bleech, *supra* note 154.

¹⁵⁸ *Id.*

¹⁵⁹ CONTACT EFF, <http://www.eff.org/about/contact> (last visited Feb. 15, 2011).

¹⁶⁰ *Id.*

¹⁶¹ *Lenz*, 572 F. Supp. 2d at 1156 (“The purpose of Section 512(f) is to prevent the abuse of takedown notices.”).

“strong universal safe harbor for ISPs.”¹⁶² Others suggest codification of a digital fair use provision to increase end user confidence when assessing the appropriateness of their use.¹⁶³ The goal of the present proposal is to allow the DMCA to operate much in the same manner as it currently does, and seeks merely to adjust the liabilities and incentive structure to yield more desirable protections for end users without compromising the robust protections provided to ISPs and copyright holders.

My proposal envisions a twofold improvement of the DMCA: (1) courts should construe the knowing misrepresentation language as a “known or should have known” standard in § 512(f) actions, similar to the standard adopted in *Diebold*; and (2) a statutorily imposed mandatory attorney’s fees and costs provision should make available financial assistance to those who vindicate fair use rights.

A. SHOULD HAVE KNOWN STANDARD

The first part of the proposal envisions an express adoption of the knowing misrepresentation standard of § 512(f) as interpreted by the *Diebold* court, or, alternatively, an amendment to the statute to ensure that end users are adequately protected from overexposure to DMCA takedown notice risks.

It should first be made clear that, as a starting point, the legislative history of the DMCA indicates that Congress viewed § 512(c)(3) as having a distinct purpose from § 512(f). According to the Senate Report, § 512(c)(3)(A) sets forth the procedures that copyright owners must follow to provide effective notice of the infringement of their works.¹⁶⁴ Section 512(c)(3)(B) describes the effect of noncompliant notices, and their effects on an ISP’s limited liability protections.¹⁶⁵ Section 512(f), on the other hand, “establishes a right of action against any person who knowingly misrepresents” the infringing nature of the use of a work.¹⁶⁶ The subsection is “intended to deter knowingly false allegations to service providers in recognition that such

¹⁶² Urban & Quilter, *supra* note 143, at 688 (noting that such a change is unlikely, and discussing out reform possibilities instead).

¹⁶³ Pollack, *supra* note 150, at 565–72.

¹⁶⁴ S. REP. NO. 105-190, at 45.

¹⁶⁵ *Id.* at 46–47.

¹⁶⁶ *Id.* at 49.

misrepresentations are detrimental to rights holders, service providers, and Internet users.”¹⁶⁷ One author suggests that the copyright owner’s good faith determination of the legality of the use of the posted material is, “at most, a factor related to burden shifting in attributing knowledge or awareness to a service provider.”¹⁶⁸ The legislative intent and separate consideration of the two provisions is important, because it shows that there is little support for *Rossi*’s juxtaposition of the two standards.

The reasoning behind the *Rossi* decision is flawed. Nowhere in the DMCA does it state or imply that the knowing misrepresentation standard prerequisite to § 512(f) liability is dependent upon a violation of the good faith belief requirement of § 512(c)(3)(A)(v). In fact, the § 512(c)(3)(A) requirements are merely the elements that must be present in a takedown notice for it to be considered effective under § 512(c)(3).¹⁶⁹ The effectiveness of a takedown notice affects two other provisions of subsection (c): (1) when a notice triggers the obligation of an ISP to expeditiously disable access to claimed infringing material;¹⁷⁰ and (2) when a notice that does not rise to the level required to trigger the obligation of an ISP may be weighed as evidence of an ISP’s general knowledge of infringing activity under § 512(c)(1)(A).¹⁷¹

To construe the statute as the *Rossi* Court did is a de facto evisceration of the knowing misrepresentation standard entirely from § 512(f)¹⁷²—and for no reason. If the *Rossi* reading is correct, the knowledge standard of § 512(f) becomes redundant. A copyright holder having actual knowledge of its misrepresentation could not possibly be found to have the good faith required under § 512(c)(3)(A). An act that violates *Rossi*’s “actual knowledge of misrepresentation” standard articulated for § 512(f) cannot be made in good faith, making acts that violate § 512(f) at least a subset of the acts that violate § 512(c)(3)(A)(v). Conversely, a notice found

¹⁶⁷ *Id.*

¹⁶⁸ Bleech, *supra* note 154, at 262.

¹⁶⁹ 17 U.S.C. § 512(c)(3) (2006).

¹⁷⁰ *Id.* § 512(c)(1)(C).

¹⁷¹ *Id.* § 512(c)(3)(B)(ii).

¹⁷² Scholars have since noted that the “knowing material misrepresentation” standard “is a difficult standard to meet.” Urban & Quilter, *supra* note 143, at 639.

insufficient under § 512(c)(3)(A)(v) would mean that the copyright holder did not have a good faith belief that the use of the material in the manner complained of was not authorized; in other words, *subjectively*, the copyright owner believed the use of the material was authorized by itself or the law. If the copyright owner believed that the use of the material was authorized by itself or the law, then it follows that it must actually know that it is making a material misrepresentation that the activity is infringing. Therefore, acts violative of § 512(c)(3)(A)(v) would be at least a subset of the acts that would violate § 512(f). And, because two groups cannot be subsets of each other without being equal to each other, § 512(f) would essentially be a cause of action for a violation of § 512(c)(3)(A)(v). Had Congress intended this result, it could have done so expressly, and would not have used markedly different language in the two subsections.

The § 512(c)(3)(A)(v) standard of knowledge defines the effectiveness of a takedown notice, and its effect on ISP liability. The § 512(f) standard defines the level of misrepresentation necessary to create liability for takedown notice misuse and abuse. Their purposes are very different, and should be interpreted in these distinct contexts. Congress could have intended that both standards be identical. That conclusion, however, is not justifiable in light of the vastly different language of the subsections.

One of the justifications given by the *Rossi* Court for its reading of the statute was that Congress could have expressly incorporated an objective standard of reasonableness into § 512(c).¹⁷³ This may be true; Congress likely intended the § 512(c)(3)(A)(v) requirement to be subject to normal subjective good faith standards. In that case, a determination of the effectiveness of a notice, or the knowledge imputed to an ISP, should be based upon the subjective belief of the copyright owner. However, this argument undermines *Rossi*'s subsequent reading of § 512(c)(3)(A)(v) and § 512(f) together. Had Congress intended for § 512(c)(3)(A)(v) to usurp an independent reading of § 512(f), it could have written the provision in such a manner. For example, the provision could have been drafted to state "Any person who, without a good faith belief, materially misrepresents under this section... ." It could also have been based solely on a finding of a violation of § 512(c)(3)(A)(v). The fact that Congress included a different standard into § 512(f) demonstrates that its cause of action is founded upon a standard of knowledge independent from

¹⁷³ *Rossi*, 391 F.3d at 1004.

§ 512(c)(3)(A). Section 512(f) was intended to be a standalone provision, meant to protect end users and copyright owners from inappropriate uses of the quite powerful and due process deficient DMCA takedown procedures.¹⁷⁴

Even if one concedes that statutory provisions *are* often read together to determine the meaning of a particular provision, the *Rossi* court should have read subsections 512(c)(3)(A)(ii)-(iii) as the applicable related provisions. The language of subsections (ii) and (iii) track the § 512(f) infringement language more closely. The standard in § 512(f) looks for “knowing material misrepresentation” of infringement;¹⁷⁵ subsections (ii) and (iii) likewise deal with identification “of the copyright work claimed to have been *infringed*”¹⁷⁶ and “of the material that is claimed to be *infringing*.”¹⁷⁷ No mention of a knowledge standard in these subsections guides a reading of § 512(f). Subsection (v), on the other hand, instructs the copyright holder to make a “good faith belief that the use of the material is *not authorized* by the copyright owner, its agent, or the law.”¹⁷⁸ Therefore, when looking for guidance on an interpretation of knowing misrepresentation of *infringement*, subsection (v) yields no assistance.

However, it is certainly understandable that, when confronted with a chance to interpret § 512(c)(3)(A)(v), the *Rossi* Court looked to a related subsection that imposed liability for abuses of the system installed by § 512. After all, § 512(c)(3)(A) contains a list of requirements, and one could postulate that an interpretation of the liability provision in § 512(f) would hinge on the violation of a list of requirements elsewhere in the statute. Looking at § 512 more closely, however, indicates that § 512(c) and § 512(f) simply serve different purposes. A reading of § 512(f) need not be dependent upon a violation of § 512(c)(3)(A). To be sure, a copyright owner’s violation of § 512(c)(3)(A) could have evidentiary weight in a § 512(f) action, but to say that it is *dependent* belies the fact that § 512(f) can be used against copyright owners, *as well as* ISPs and end users, as § 512(c)(3)(A) applies only to copyright owners.

¹⁷⁴ See *supra* discussion accompanying notes 139–42.

¹⁷⁵ 17 U.S.C. § 512(f) (2006)

¹⁷⁶ *Id.* § 512(c)(3)(A)(ii) (emphasis added).

¹⁷⁷ *Id.* § 512(c)(3)(A)(iii) (emphasis added).

¹⁷⁸ *Id.* § 512(c)(3)(A)(v) (emphasis added).

Furthermore, the *Rossi* Court turned to § 512(f) when searching for a related statutory provision to assist its interpretation of § 512(c)(3)(A)(v). It did not seek § 512(c)(3)(A)(v) in response to a need to interpret § 512(f). Had it done so, it might have looked to § 512(c)(1)(A)(i), which demands that a service provider “not have actual knowledge that the material or an activity using the material on the system or network is infringing.” The recent *Viacom Int’l Inc. v. YouTube, Inc.* decision interpreted that provision, but in the context of whether “[g]eneral knowledge that infringement is ‘ubiquitous’” imposes a duty on an ISP to monitor or search its services for infringement. It held that it does not. It is quite interesting to note, however, that Congress included the “*actual*” modifier to the knowledge in this subsection – indicating that had they intended § 512(f) to have similar effect, they would have included the same modifier.

A thorough analysis of the *Rossi* decision yields one of two possibilities. Perhaps the court referenced the § 512(f) “knowing misrepresentation” standard in passing, as further support for its decision that the “good faith standard” in § 512(c)(3)(A)(v) should be a subjective one. This is possible, especially considering the unsympathetic plaintiff in the case before it, making it understandable if the court was attempting to make it clear that *Rossi* would not win. In that case, subsequent decisions may have read the case incorrectly, placing too much emphasis on dicta in the court’s holding. Alternatively, the court may have had something to say about the potential strength of the recent *Diebold* interpretation and chose to do something about it, even though the case before them had nothing to do with § 512(f) whatsoever.¹⁷⁹

Courts should interpret § 512(f) actions, as in *Diebold*, as valid actions if the complaining party can show that a “party actually knew, should have known if it acted with reasonable care or diligence, or would have had no substantial doubt had it been acting in good faith, that it was making a misrepresentation.”¹⁸⁰ A party having actual knowledge that it is making a misrepresentation is already liable under the act. Additionally, analyzing the facts in *Rossi* under this standard would result in the same outcome as the court reached in that case. The MPAA clearly did not have actual knowledge that *Rossi*’s website contained no infringing material. They also clearly did

¹⁷⁹ See Bleech, *supra* note 154, at 263 (“The application of a subjective standard of good faith by the court is merely judicial activism.”).

¹⁸⁰ *Diebold*, 337 F. Supp. 2d at 1204.

not meet the “should have known” portion of the standard, because in this case, Rossi’s website was a subscription site that blatantly advertised that it made infringing material available to users. While courts would be free to construct the contours of reasonable care and diligence, it is probable (and desirable) that copyright owners should not be required to pay money to suspected infringers just to obtain the actual knowledge necessary to file a DMCA notice. This is a concern the Rossi Court may have had in mind when it attempted to whittle down the breadth of the misrepresentation actions.¹⁸¹

Neither would the MPAA have been liable under the third prong of the *Diebold* standard, for having no substantial doubt had it acted in good faith that it was making a misrepresentation. This portion of the standard is reserved for copyright holders that intentionally create the absence of knowledge in bad faith. A court would have to find that the copyright holder *subjectively* took steps to avoid knowledge that it was making an infringement. For example, had Rossi advertised on the front page of his website that pirated movies were available for downloading, and did *not* charge a subscription fee for access, and the MPAA had not attempted to download any movies or enter the site (and thus determine that there was no infringing activity), the MPAA would have violated § 512(f) *only* if the court found that the MPAA acted in bad faith by not investigating further. This portion of the standard would give courts the latitude to determine, not only the proper burden to place on copyright owners with respect to their investigatory duties, but also whether a finding of bad faith under § 512(c)(3)(A)(v) could be used as evidence of a knowing misrepresentation. Thus, Universal’s failure to consider Lenz’s fair use could result in § 512(f) liability under this prong.

The interpretation would still leave open the possibility that mistaken DMCA notices produced by fully automated searching and notice issuance programs would fall short of “reasonable care or diligence.” Rights holders could then be incentivized to keep better records of their searches and enforcement procedures. This in turn would make discovery available to DMCA notice recipients with respect to copyright owner practices and procedures, which would chill abuses of the DMCA procedures for fear of liability.

This standard would also stop the Michael Crooks of the world, although he may have been found liable regardless, had the case not settled. Certainly, with reasonable diligence, Crook could have

¹⁸¹ Some have pointed out that Rossi was a very unsympathetic plaintiff and the case did not involve free speech or fair use implications, perhaps partially the reason behind the court’s ruling. Koss, *supra* note 87, 163.

determined that he made a misrepresentation because he was not the owner of the copyrighted work. This standard would also stop some situations, mentioned in conjunction with the music blog incident on Blogger, in which the marketing arm of an entity failed to coordinate with the rights enforcement arm, resulting in a mistakenly issued DMCA takedown notice. The onus of such mistakes must fall on the copyright owner, not the innocent end user.¹⁸²

If the courts do not appear willing to adopt this proposal, I urge Congress to amend § 512(f) as follows:

(f) Misrepresentation – Any person who ~~knowingly~~ *actually knew or should have known if it acted with reasonable care or diligence, or would have had no substantial doubt had it been acting in good faith, that it was materially-misrepresents* misrepresenting under this section—

(1) that material or activity is infringing; or

(2) that material or activity was removed or disabled by mistake or misidentification,

shall be liable for any damages, including costs and attorneys fees, incurred by the alleged infringer, by any copyright owner or copyright owner's authorized licensee, or by a service provider, who is injured by such misrepresentation, as the result of the service provider relying upon such misrepresentation in removing or disabling access to the material or activity claimed to be infringing, or in replacing the removed material or ceasing to disable access to it.

B. MANDATORY ATTORNEY'S FEES

¹⁸² Some authors suggest that chilling effects from DMCA takedown abuses are over exaggerated. See Edward Lee, *Warming Up to User Generated Content*, 2008 U. ILL. L. REV. 1459, 1543–44 (2008). However, even if the abuse of DMCA takedown notices does not produce a chilling effect that Urban cautions against, the ability for copyright owners to single out certain end users for punishment is not fair to individual users who seek to use copyrighted works in accordance with accepted norms.

In addition to changing the standard of knowledge required for a misrepresentation action, I propose the addition of a Fair Use Strengthening Act ("FUSA"), to be amended and codified as § 512(o). The FUSA would seek to empower "private attorney generals" in much the same manner as the Civil Rights Attorney's Fees Award Act of 1976¹⁸³ and the Clean Water Act.¹⁸⁴ FUSA would state as follows:

(o) Attorney and Expert Fees and Costs – (a) In any action or proceeding in which the user of a copyrighted work asserts a fair use defense to a claim of copyright infringement and prevails, the court shall award a reasonable attorney's fee and costs of the action in additional to any other remedies that may be recovered in the action.

(b) In awarding attorney's fees under subsection (a) of this section in any action or proceeding, the court, in its discretion, may include expert fees as part of the attorney fees and costs.

By amending the DMCA to include a private attorney general provision, there would be a de facto strengthening of the fair use doctrine in the context of digital works and its online use. Many of the cases discussed above in Part II regarding abuses of the takedown procedures and many other similar cases appear to frequently involve uses that would support a strong argument in favor of fair use. Quite often, the uses are not only likely to be fair use, but are marginal uses; they have no commercial impact on the market for the copyrighted work. Therefore, once a commercially quantifiable risk is introduced into the notice procedure, copyright owners will have a disincentive to issue notices involving marginal uses.

Just providing vindicators of fair use rights with fee reimbursement might not be enough in itself. However, one must consider the incentive that such a statute would provide to lawyers practicing in the copyright law field. Experienced, well-known attorneys and advocacy groups would be incentivized to use their expertise to litigate cases in which they would have the opportunity to further shape the contours of the fair use doctrine with a victory, while

¹⁸³ See generally 42 U.S.C. § 1988 (2006).

¹⁸⁴ See generally 33 U.S.C. § 1365 (2006).

simultaneously earning a living. Many commentators lament that fair use is uncertain, and therefore not very useful. This would also provide the opportunity to further refine the contours of the fair use doctrine by actually encouraging litigation in cases of abuse, thus incrementally defining the doctrine of fair use.

CONCLUSION

Twelve years have passed since the inception of the DMCA. Since that beginning, we have witnessed a fascinatingly robust growth of the Internet and digital communication. The DMCA plays a significant role in the economic and social successes that we see. In particular, it grants far more certainty as to liability for copyright infringement to ISPs—something that was a major concern before the enactment of the DMCA. It likewise gives powerful rights enforcement mechanisms to copyright holders, enabling them to respond quickly to unlawful digital use of their works. Unfortunately, these strong protections result in the abuse of these mechanisms by some, spoiling the party for some end users that need legitimate protection. By strengthening the misrepresentation action through a relaxed knowledge standard and fee shifting to encourage the defense of fair uses and discourage the issuance of notices for marginal uses, the DMCA could finally boast that it protects all parties at the table adequately and fairly.

